



Lippo China Resources Limited

力寶華潤有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code:156)

Interim Report
08



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The Directors of Lippo China Resources Limited (the "Company") are pleased to present the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (together, the "Group") for the six months ended 30th June, 2008.

Condensed Consolidated Profit and Loss Account

		Unaudited	
		six months ended 30th June,	
	<i>Note</i>	2008	2007
		HK\$'000	<i>HK\$'000</i>
			(restated)
Continuing Operations			
Revenue	3	181,081	216,788
Cost of sales		(94,426)	(35,160)
Gross profit		86,655	181,628
Administrative expenses		(53,092)	(62,452)
Other operating expenses		(44,587)	(47,086)
Fair value gains on investment properties		313,719	78,592
Gain on disposal of subsidiaries		–	100,434
Gain on disposal of associates		–	57,620
Gain on disposal of available-for-sale financial assets		–	724
Net fair value gain on financial assets at fair value through profit or loss		604	24,468
Finance costs		(24,791)	(41,946)
Share of results of associates	4	7,767	607,622
Share of results of jointly controlled entities		–	(826)
Profit before tax	5	286,275	898,778
Tax	6	(40,322)	43,934
Profit for the period from continuing operations		245,953	942,712
Discontinued Operation			
Profit for the period from discontinued operation	7	–	13,180
Profit for the period		245,953	955,892
Attributable to:			
Equity holders of the Company	17	235,858	676,469
Minority interests	17	10,095	279,423
		245,953	955,892

Condensed Consolidated Profit and Loss Account (Continued)

		Unaudited	
		six months ended 30th June,	
	<i>Note</i>	2008	2007
		HK cents	<i>HK cents</i>
			(restated)
Earnings per share attributable to equity holders of the Company			
Basic	8		
– For profit for the period		2.56	7.35
– For profit from continuing operations		2.56	7.25
Diluted			
– For profit for the period		N/A	N/A
– For profit from continuing operations		N/A	N/A
Interim dividend and distribution			
	9	HK\$'000	<i>HK\$'000</i>
Interim dividend		18,402	18,402
Special interim dividend		–	73,609
Special interim distribution		–	2,170,326
		18,402	2,262,337

Condensed Consolidated Balance Sheet

	Note	30th June, 2008 HK\$'000 (Unaudited)	31st December, 2007 HK\$'000 (Audited)
Non-current assets			
Goodwill		23,371	23,371
Fixed assets		357,822	316,636
Investment properties		3,815,694	3,426,316
Properties under development		49,029	43,747
Interests in associates		951,171	915,338
Interest in a jointly controlled entity		2,873	2,713
Available-for-sale financial assets	10	454,391	411,057
Deposit paid for long term investments		123,245	–
		5,777,596	5,139,178
Current assets			
Properties held for sale		5,653	5,058
Properties under development		514,241	461,679
Inventories		1,196	1,092
Financial assets at fair value through profit or loss	11	64,592	63,997
Loans and advances		5,799	5,445
Debtors, prepayments and deposits	12	208,235	208,898
Cash and bank balances		332,561	345,418
		1,132,277	1,091,587
Current liabilities			
Bank loans	13	288,784	46,019
Amount due to a jointly controlled entity		50,630	46,968
Creditors, accruals and deposits received	14	707,754	670,529
Tax payable		56,063	72,022
		1,103,231	835,538
Net current assets		29,046	256,049
Total assets less current liabilities		5,806,642	5,395,227

Condensed Consolidated Balance Sheet (Continued)

	Note	30th June, 2008 HK\$'000 (Unaudited)	31st December, 2007 HK\$'000 (Audited)
Non-current liabilities			
Bank loans	13	1,121,950	1,100,590
Deferred tax liabilities		578,345	512,654
		1,700,295	1,613,244
Net assets			
		4,106,347	3,781,983
Equity			
Equity attributable to equity holders of the Company			
Share capital	15	920,109	920,109
Reserves	17	2,998,671	2,705,640
		3,918,780	3,625,749
Minority interests	17	187,567	156,234
		4,106,347	3,781,983

Condensed Consolidated Summary Statement of Changes in Equity

	Note	Unaudited six months ended 30th June, 2008 HK\$'000	2007 HK\$'000
Total equity at 1st January		3,781,983	6,916,060
Changes in equity during the period:			
Exchange differences on translation of foreign operations		133,671	32,663
Net fair value gain on available-for-sale financial assets		32,464	112,117
Deferred tax arising from fair value gain on available-for-sale financial assets		–	(353)
Derecognition of available-for-sale financial assets		–	(1,204)
Surplus on revaluation of leasehold land and buildings	17	–	16,802
Deferred tax arising from surplus on revaluation of leasehold land and buildings	17	–	(2,941)
Release of reserves in respect of disposal of subsidiaries		–	(11,563)
Share of reserves of associates and jointly controlled entities		6,473	39,876
Net income recognised directly in equity		172,608	185,397
Profit for the period		245,953	955,892
Total recognised income and expense for the period		418,561	1,141,289
Issue of shares by subsidiaries to minority shareholders	17	–	250
Advance from/(Repayment to) minority shareholders of subsidiaries	17	(240)	64,081
Disposal of subsidiaries		–	(132,426)
2006 final dividend, declared to shareholders of the Company	17	–	(36,804)
2006 final distribution, declared to minority shareholders of subsidiaries	17	–	(18,680)
2007 final dividend and special final dividend, declared and paid to shareholders of the Company	17	(92,010)	–
2007 final dividend, declared and paid to minority shareholders of a subsidiary	17	(1,947)	–
		324,364	1,017,710
Total equity at 30th June		4,106,347	7,933,770
Total recognised income and expense for the period attributable to:			
Equity holders of the Company		385,041	842,268
Minority interests		33,520	299,021
		418,561	1,141,289

Condensed Consolidated Cash Flow Statement

	Unaudited	
	six months ended 30th June,	
	2008	2007
	HK\$'000	HK\$'000
Net cash used in operating activities	(3,509)	(602,078)
Net cash from/(used in) investing activities	(129,011)	388,958
Net cash from financing activities	108,123	805,137
Net increase/(decrease) in cash and cash equivalents	(24,397)	592,017
Cash and cash equivalents at 1st January	345,418	915,737
Exchange realignments	11,540	6,832
Cash and cash equivalents at 30th June	332,561	1,514,586
Analysis of balances of cash and cash equivalents:		
Cash and bank balances	332,561	1,151,138
Cash and cash equivalents of a disposal group held for distribution	–	363,448
	332,561	1,514,586

Notes to the Interim Financial Statements

1. Principal Accounting Policies

The interim financial statements are unaudited, condensed and have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants.

The accounting policies and basis of preparation adopted in the preparation of these condensed consolidated interim financial statements are consistent with those used in the Group’s audited financial statements for the year ended 31st December, 2007, except that in the current period, the Group has changed the presentation of revenue and has adopted certain new/revised Hong Kong Financial Reporting Standards (“HKFRSs”), HKASs and Interpretations (hereinafter collectively referred to as the “new/revised HKFRSs”) as detailed in Note (a) and (b) below:

(a) *Change in the presentation of revenue*

In prior years, revenue included the proceeds from sales of securities investment, while the related costs of sales of securities investment were presented as “cost of sales”.

In the current period, the Group has revised the presentation of revenue in order to provide more relevant information in respect of the Group’s operations and to conform with market practices. The proceeds from sales of securities investment are offset against the cost of sales of securities investment and are presented as gain/(loss) on sales of securities investment in the consolidated profit and loss account within revenue.

The effects of the change in the presentation of revenue have been accounted for retrospectively with comparative figures restated. The change does not have any impact on the results of the Group in respect of current period and prior year.

(b) *New/revised HKFRSs*

The following new/revised HKFRSs are adopted for the first time for the current period’s financial statements, which have become effective for accounting periods beginning on or after 1st January, 2008:

HK(IFRIC)-Int 11	HKFRS 2 – Group and Treasury Share Transactions
HK(IFRIC)-Int 12	Service Concession Arrangements
HK(IFRIC)-Int 14	HKAS 19 – The limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of the above new/revised HKFRSs has no material impact on the accounting policies of the Group and the methods of computation in the Group’s condensed consolidated interim financial statements.

Notes to the Interim Financial Statements (Continued)

2. Segment Information

Segment information is presented by way of business segment as the primary segment reporting format.

The Group's operating businesses are structured and managed separately, according to the nature of their operations. The Group's business segments represent different strategic business units which are subject to risks and returns that are different from those of the other business segments. Descriptions of the business segments are as follows:

- (a) the treasury investment segment includes investments in cash and bond markets;
- (b) the property investment and development segment includes letting, resale and development of properties;
- (c) the securities investment segment includes dealings in securities and disposals of investments;
- (d) the retail business segment engages in operating of department stores;
- (e) the banking business segment engages in the provision of commercial and retail banking services;
- (f) the "other" segment comprises principally restaurants and catering business, food manufacturing, wholesale distribution of food and allied fast-moving consumer goods, the development of computer hardware and software, money lending and the provision of property, project and fund management and investment advisory services; and
- (g) the corporate finance and securities broking segment provides securities and futures brokerage, investment banking, underwriting and other related advisory services. As at the balance sheet date, the corporate finance and securities broking segment was classified as discontinued operation of the Group.

An analysis of the Group's segment information by business segment is set out as follows:

	Six months ended 30th June, 2008							Discontinued operation			
	Continuing operations							Corporate			
	Treasury investment HK\$'000	Property investment and development HK\$'000	Securities investment HK\$'000	Retail business HK\$'000	Banking business HK\$'000	Other HK\$'000	Inter-segment elimination HK\$'000	Consolidated HK\$'000	securities broking HK\$'000	Inter-segment elimination HK\$'000	Consolidated HK\$'000
Revenue											
External	3,454	95,192	31	54,186	-	28,218	-	181,081	-	-	181,081
Inter-segment	-	1,954	-	-	-	-	(1,954)	-	-	-	-
Total	3,454	97,146	31	54,186	-	28,218	(1,954)	181,081	-	-	181,081
Segment results	3,303	392,462	(493)	(67,652)	-	14,757	-	342,377	-	-	342,377
		(Note)									
Unallocated corporate expenses								(39,078)			(39,078)
Finance costs								(24,791)			(24,791)
Share of results of associates	-	422	-	-	-	7,345	-	7,767	-	-	7,767
Profit before tax								286,275			286,275
Tax								(40,322)			(40,322)
Profit for the period								245,953			245,953

Notes to the Interim Financial Statements (Continued)

2. Segment Information (Continued)

An analysis of the Group's segment information by business segment is set out as follows: (Continued)

	Six months ended 30th June, 2007 (restated)							Discontinued operation			
	Continuing operations							Corporate finance and securities broking	Inter- segment elimination	Consolidated	
	Treasury investment HK\$'000	Property investment and development HK\$'000	Securities investment HK\$'000	Retail business HK\$'000	Banking business HK\$'000	Other HK\$'000	Inter- segment elimination HK\$'000	Consolidated HK\$'000	HK\$'000	HK\$'000	Consolidated HK\$'000
Revenue											
External	8,735	103,739	9,055	13,710	15,388	66,161	-	216,788	67,424	-	284,212
Inter-segment	13,938	2,495	-	-	-	882	(17,315)	-	164	(164)	-
Total	22,673	106,234	9,055	13,710	15,388	67,043	(17,315)	216,788	67,588	(164)	284,212
Segment results	22,454	260,445	33,562	(5,943)	4,157	106,987	(17,036)	404,626	13,180	-	417,806
Unallocated corporate expenses								(72,216)			(72,216)
Finance costs								(40,428)			(40,428)
Share of results of associates	-	490,742	-	-	-	116,880	-	607,622	-	-	607,622
Share of results of jointly controlled entities	-	(64)	-	-	-	(762)	-	(826)	-	-	(826)
Profit before tax								898,778			911,958
Tax								43,934			43,934
Profit for the period								942,712			955,892

Note: The amount included fair value gains on investment properties of HK\$313,719,000.

3. Revenue

Revenue, which is also the Group's turnover, represents the aggregate of gross income on treasury investment which includes interest income on bank deposits and debt securities, gross rental income, gross proceeds from sales of properties, income from securities investment which includes gain/(loss) on sales of securities investments, dividend income and related interest income, gross income from underwriting and securities broking, gross income from restaurants and catering business, gross rental income from department stores, gross income from property management, gross interest income, commissions, dealing income and other revenues from a banking subsidiary, and interest and other income from money lending and other businesses, after eliminations of all significant intra-group transactions.

An analysis of the revenue of the Group by principal activity is as follows:

	Six months ended 30th June,	
	2008 HK\$'000	2007 HK\$'000 (restated)
Treasury investment	3,454	8,735
Property investment and development	95,192	103,739
Securities investment	31	9,055
Retail business	54,186	13,710
Banking business	–	15,388
Other	28,218	66,161
Attributable to continuing operations	181,081	216,788
Corporate finance and securities broking attributable to discontinued operation	–	67,424
	181,081	284,212

Revenue attributable to banking business represents revenue generated from The Macau Chinese Bank Limited ("MCB"), a licensed credit institution under the Financial System Act of the Macao Special Administrative Region of the People's Republic of China. MCB ceased to be a subsidiary of the Company in July 2007. Revenue attributable to banking business is analysed as follows:

	Six months ended 30th June,	
	2008 HK\$'000	2007 HK\$'000
Interest income	–	12,428
Commission income	–	2,132
Other revenues	–	828
	–	15,388

Notes to the Interim Financial Statements (Continued)

4. Share of Results of Associates

The amount in 2007 included the Group's share of profit in Lippo ASM Asia Property LP ("LAAP"), a property fund which carries the objective of investing in real estate in the East Asia region, of approximately HK\$491 million. LAAP ceased to be an associate of the Group in July 2007 following the distribution as mentioned in Note 7 below.

5. Profit before Tax

Profit before tax is arrived at after crediting/(charging): (Note)

	Six months ended 30th June,	
	2008	2007
	HK\$'000	HK\$'000
Interest income:		
Listed financial assets at fair value through profit or loss	–	393
Unlisted financial assets at fair value through profit or loss	–	324
Listed held-to-maturity financial assets	–	428
Loan and receivables	–	575
Banking operation	–	12,428
Other	3,454	8,735
Dividend income:		
Listed investments	31	175
Unlisted investments	–	5,648
Gain/(Loss) on disposal of:		
Listed financial assets at fair value through profit or loss	–	(130)
Unlisted financial assets at fair value through profit or loss	–	2,217
Unlisted available-for-sale financial assets	–	724
Net fair value gain on financial assets at fair value through profit or loss:		
Listed	27	11,398
Unlisted	577	13,070
Depreciation	(9,950)	(7,155)
Loss on disposal of properties	(510)	–
Loss on disposal of fixed assets	(2)	(9)
Cost of inventories sold	(5,447)	(2,284)

Note: The disclosures presented in this note include those amounts credited/(charged) in respect of the discontinued operation.

6. Tax

	Six months ended 30th June,	
	2008 HK\$'000	2007 HK\$'000
Hong Kong:		
Charge for the period	1,560	–
Overprovisions in prior periods	(436)	–
Deferred	22,580	8,988
	23,704	8,988
Overseas:		
Charge for the period	5,595	12,674
Underprovisions in prior periods	568	111
Deferred	10,455	(65,707)
	16,618	(52,922)
Total charge/(credit) for the period	40,322	(43,934)

Hong Kong profits tax has been provided at the rate of 16.5 per cent. (2007 – 17.5 per cent.) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated on the estimated assessable profits for the period at the tax rates prevailing in the countries/jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

7. Discontinued Operation

On 18th June, 2007, the Company announced a proposal to declare a special interim distribution to be satisfied by way of a distribution in specie (the "Distribution") comprising substantially all the Company's beneficial shareholding of 973,240,440 shares of HK\$1.00 each in Hongkong Chinese Limited ("HKC"), representing approximately 72.26 per cent. of the then issued share capital of HKC, held by the Company. On 17th July, 2007, the Company announced the decision of its board of directors to declare the Distribution in the proportion of 1.057745 share of HKC ("HKC share") for every ten shares of the Company held by the Company's shareholders based on the market price of HKC at HK\$2.23 per share. Following the Distribution, HKC and its subsidiaries (the "HKC Group") ceased to be subsidiaries of the Company and the corporate finance and securities broking business which was solely carried out by the HKC Group became discontinued operation. Results of the HKC Group ceased to be accounted for in the condensed consolidated interim financial statements of the Group.

Notes to the Interim Financial Statements (Continued)

7. Discontinued Operation (Continued)

(a) Profit for the period from corporate finance and securities broking business are presented below:

	Note	Six months ended 30th June, 2007 HK\$'000
Revenue	3	67,424
Cost of sales		(23,234)
Gross profit		44,190
Administrative expenses		(15,760)
Other operating expenses		(5,573)
Finance costs		(9,677)
Profit for the period		13,180
		<i>HK cents</i>
Earnings per share	8	
Basic, from the discontinued operation		0.10
Diluted, from the discontinued operation		N/A

(b) The net cash flows incurred by corporate finance and securities broking business are presented below:

	Six months ended 30th June, 2007 HK\$'000
Operating activities	(737,554)
Investing activities	432,163
Financing activities	105,761
Net cash outflow	(199,630)

8. Earnings Per Share Attributable to Equity Holders of the Company

(a) *Basic earnings per share*

Basic earnings per share is calculated based on (i) the consolidated profit for the period attributable to equity holders of the Company; and (ii) the weighted average number of 9,201,089,000 ordinary shares (2007 – 9,201,089,000 ordinary shares) in issue during the period.

	Six months ended 30th June,	
	2008 HK\$'000	2007 HK\$'000
Consolidated profit for the period attributable to equity holders of the Company:		
From continuing operations	235,858	666,945
From discontinued operation	–	9,524
	235,858	676,469

(b) *Diluted earnings per share*

No diluted earnings per share is presented for the periods ended 30th June, 2008 and 2007 as the share options outstanding during these periods had no dilutive effect on the basic earnings per share for these periods.

9. Interim Dividend and Distribution

	Six months ended 30th June,	
	2008 HK\$'000	2007 HK\$'000
Interim dividend, declared, of HK0.2 cent (2007 – HK0.2 cent) per ordinary share	18,402	18,402
2007 special interim dividend, declared, of HK0.8 cent per ordinary share	–	73,609
2007 special interim distribution, declared, of 1.057745 HKC shares per ten ordinary shares (Note 7)	–	2,170,326
	18,402	2,262,337

The interim dividend was declared after the balance sheet date and hence was not accrued on that date.

10. Available-for-sale Financial Assets

	30th June, 2008 HK\$'000	31st December, 2007 HK\$'000
Financial assets stated at fair value:		
Equity securities listed overseas	405,089	373,883
Unlisted debt securities	15,510	14,250
	420,599	388,133
Financial assets stated at cost:		
Unlisted equity securities	40,867	28,871
Unlisted debt securities	27,557	27,557
Unlisted investment funds	15,461	15,461
	83,885	71,889
Provision for impairment losses	(50,093)	(48,965)
	33,792	22,924
	454,391	411,057

The debt securities have effective interest rates ranging from nil to 10 per cent. (31st December, 2007 – nil to 8 per cent.) per annum.

11. Financial Assets at Fair Value through Profit or Loss

	30th June, 2008 HK\$'000	31st December, 2007 HK\$'000
Held for trading:		
Equity securities listed overseas	796	769
Unlisted investment funds	63,796	63,228
	64,592	63,997

12. Debtors, Prepayments and Deposits

Included in the balances are trade debtors with an aged analysis as follows:

	30th June, 2008 HK\$'000	31st December, 2007 HK\$'000
Outstanding balances with ages:		
Within 30 days	7,085	27,133
Between 31 and 60 days	2,987	139
Between 61 and 90 days	561	1
Between 91 and 180 days	810	132
Over 180 days	140	–
	11,583	27,405

Trading terms with customers are either on a cash basis or credit. For those customers who trade on credit, a credit period is allowed according to relevant business practice. Credit limits are set for customers. The Group seeks to maintain tight control over its outstanding receivables in order to minimise credit risk. Overdue balances are regularly reviewed by senior management.

As at balance sheet date, receivables are neither overdue nor impaired and are related to a range of customers for whom there are no recent history of default. The Group does not hold any collateral or other credit enhancements over these balances.

The balances of trade debtors are non-interest-bearing. The carrying amounts of debtors and deposits are approximate to their fair values.

13. Bank Loans

	30th June, 2008 HK\$'000	31st December, 2007 HK\$'000
Secured bank loans (Note)	1,410,734	1,146,609
Less: Amount classified under current portion	(288,784)	(46,019)
	1,121,950	1,100,590
Non-current portion	1,121,950	1,100,590
Bank loans by currency:		
Hong Kong dollar	755,000	620,000
Renminbi	431,073	303,596
Singapore dollar	224,661	223,013
	1,410,734	1,146,609
Bank loans repayable:		
Within one year	288,784	46,019
In the second year	75,498	290,391
In the third to fifth years, inclusive	361,493	368,153
After five years	684,959	442,046
	1,410,734	1,146,609

The carrying amounts of the Group's bank loans are approximate to their fair values and bear interest at floating rates ranging from 2.4 per cent. to 3.1 per cent. (31st December, 2007 – 3.9 per cent. to 7.1 per cent.) per annum.

Note: At the balance sheet date, the bank loans were secured by first legal mortgages over certain investment properties, leasehold land and buildings and properties under development with carrying amounts of HK\$3,466,562,000 (31st December, 2007 – HK\$3,109,965,000), HK\$112,283,000 (31st December, 2007 – HK\$113,700,000) and HK\$514,241,000 (31st December, 2007 – HK\$461,679,000), respectively.

Notes to the Interim Financial Statements (Continued)

14. Creditors, Accruals and Deposits Received

Included in the balances are trade creditors with an aged analysis as follows:

	30th June, 2008 HK\$'000	31st December, 2007 HK\$'000
Outstanding balances with ages:		
Within 30 days	23,124	38,585
Between 31 and 60 days	3,338	7,361
Between 61 and 90 days	1,051	–
Between 91 and 180 days	1,930	–
Over 180 days	316	–
	29,759	45,946

The balances of trade creditors are non-interest-bearing.

15. Share Capital

	30th June, 2008 HK\$'000	31st December, 2007 HK\$'000
Authorised:		
28,000,000,000 (31st December, 2007 – 28,000,000,000) ordinary shares of HK\$0.10 each	2,800,000	2,800,000
Issued and fully paid:		
9,201,088,716 (31st December, 2007 – 9,201,088,716) ordinary shares of HK\$0.10 each	920,109	920,109

16. Share Option Scheme

Pursuant to the share option scheme of the Company (the "Share Option Scheme") adopted and approved by the shareholders of the Company and Lippo Limited ("Lippo"), an intermediate holding company of the Company, on 7th June, 2007 (the "Adoption Date"), the board of the Directors (the "Board") may, at its discretion, offer to grant to any eligible employee (including director, officer and/or employee of the Group or any member of it); or any consultant, adviser, supplier, customer or sub-contractor of the Group or any member of it; or any other person whomsoever is determined by the Board as having contributed to the development, growth or benefit of the Group or any member of it or as having spent any material time in or about the promotion of the Group or its business (together the "Eligible Person") an option to subscribe for shares in the Company. The purpose of the Share Option Scheme is to provide Eligible Persons with the opportunity to acquire proprietary interests in the Company and to encourage Eligible Persons to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole. The Share Option Scheme shall be valid and effective for the period of ten years commencing on the Adoption Date. Under the rules of the Share Option Scheme, no further options shall be granted on and after the tenth anniversary of the Adoption Date. The options can be exercised at any time during the period commencing on the date of grant and ending on the date of expiry which date shall not be later than the day last preceding the tenth anniversary of the date of grant. The Share Option Scheme does not specify a minimum period for which an option must be held nor a performance target which must be achieved before an option can be exercised. However, the rules of the Share Option Scheme provide that the Board may determine, at its sole discretion, such term(s) on the grant of an option. No grantee of option is required to pay for the grant of the relevant option.

The overall limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and other share option schemes must not exceed 30 per cent. of the issued shares of the Company from time to time. The maximum number of shares in respect of which options may be granted under the Share Option Scheme shall not (when aggregated with any shares subject to options granted after the Adoption Date pursuant to any other share option scheme(s) of the Company) exceed 10 per cent. of the issued share capital of the Company on the Adoption Date (the "Scheme Mandate Limit"). The Scheme Mandate Limit may be renewed with prior approval of the shareholders of the Company. The total number of shares issued and to be issued upon exercise of options granted and to be granted under the Share Option Scheme to any single Eligible Person, whether or not already a grantee, in any 12-month period shall be subject to a limit that it shall not exceed 1 per cent. of the issued shares of the Company at the relevant time. The exercise price for the shares under the Share Option Scheme shall be determined by the Board at its absolute discretion but in any event shall not be less than the highest of the closing price of the shares of the Company on the date of grant of the option or the average closing price of the shares of the Company for the five trading days immediately preceding the date of grant of the option, as stated in the daily quotations sheet of The Stock Exchange of Hong Kong Limited; or the nominal value of the shares of the Company on the date of grant of the option.

As at 1st January, 2008, there were outstanding options granted under the Share Option Scheme without consideration to Eligible Persons including, inter alia, certain Directors of the Company and employees of the Group to subscribe for a total of 92,010,000 ordinary shares of HK\$0.10 each in the Company (the "Option Shares") at an exercise price of HK\$0.267 per share (subject to adjustment). The above options could not be exercised from the date of grant to 16th June, 2008. Such options are exercisable from 17th June, 2008 to 16th December, 2012.

Notes to the Interim Financial Statements (Continued)

16. Share Option Scheme (Continued)

Details of the Option Shares granted under the Share Option Scheme are summarized as follows:

Participants	Date of grant	Exercise price per share HK\$	Number of Option Shares
			Balance as at 1st January, 2008 and 30th June, 2008
Directors:			
John Luen Wai Lee	17th December, 2007	0.267	22,000,000
Leon Nim Leung Chan	17th December, 2007	0.267	3,000,000
Edwin Neo	17th December, 2007	0.267	2,300,000
King Fai Tsui	17th December, 2007	0.267	2,300,000
Victor Ha Kuk Yung	17th December, 2007	0.267	2,300,000
Employees (Note)	17th December, 2007	0.267	32,760,000
Others	17th December, 2007	0.267	27,350,000
Total			92,010,000

Note: Employees refer to the employees of the Group as at 30th June, 2008 working under employment contracts that are regarded as "continuous contracts" for the purposes of the Employment Ordinance, other than the Directors and chief executive of the Company.

The exercise price of the Option Shares and exercise period of the options outstanding as at 30th June, 2008 are as follows:

Number of Option Shares	Exercise price per share (Note) HK\$	Exercise period
92,010,000	0.267	17th June, 2008 to 16th December, 2012

Note: The exercise price of the Option Shares is subject to adjustment in case of rights or bonus issues, or other similar changes in the Company's share capital.

No option of the Company was granted, exercised, cancelled or lapsed during the period.

Notes to the Interim Financial Statements (Continued)

17. Reserves

	Share premium account HK\$'000	Share option reserve HK\$'000	Investment revaluation reserve HK\$'000	Other asset revaluation reserve HK\$'000	Exchange equalisation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Minority interests HK\$'000
At 1st January, 2008	785,257	10,000	216,361	96,741	59,200	1,538,081	2,705,640	156,234
Net fair value gain on available-for-sale financial assets	-	-	32,464	-	-	-	32,464	-
Share of reserves of associates	-	-	7,181	-	(422)	-	6,759	(286)
Repayment to minority shareholders of subsidiaries	-	-	-	-	-	-	-	(240)
Exchange realignment	-	-	-	-	109,960	-	109,960	23,711
Profit for the period	-	-	-	-	-	235,858	235,858	10,095
2007 final dividend and special final dividend, declared and paid to shareholders of the Company	-	-	-	-	-	(92,010)	(92,010)	-
2007 final dividend, declared and paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	(1,947)
At 30th June, 2008	785,257	10,000	256,006	96,741	168,738	1,681,929	2,998,671	187,567

Notes to the Interim Financial Statements (Continued)

17. Reserves (Continued)

	Share premium account	Special Capital reserve (Note (a))	Legal reserve (Note (b))	Investment revaluation reserve	Other asset revaluation reserve	Exchange equalisation reserve	Regulatory reserve (Note (c))	Retained profits	Total	Minority interests
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1st January, 2007	785,257	2,075,948	2,861	115,030	-	(8,457)	913	1,611,208	4,582,760	1,413,191
Net fair value gain on available-for-sale financial assets	-	-	-	109,204	-	-	-	-	109,204	2,913
Deferred tax arising from fair value gain on available-for-sale financial assets	-	-	-	(255)	-	-	-	-	(255)	(98)
Derecognition of available-for-sale financial assets	-	-	-	(870)	-	-	-	-	(870)	(334)
Surplus on revaluation of leasehold land and buildings	-	-	-	-	16,802	-	-	-	16,802	-
Deferred tax arising from surplus on revaluation of leasehold land and buildings	-	-	-	-	(2,941)	-	-	-	(2,941)	-
Transfer of reserve	-	-	1,019	-	-	-	-	(1,019)	-	-
Share of reserves of associates and jointly controlled entities	-	-	-	19,776	-	8,987	-	-	28,763	11,113
Advances from minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	64,081
Issue of shares by subsidiaries to minority shareholders	-	-	-	-	-	-	-	-	-	250
Disposal of subsidiaries	-	-	-	-	-	(8,355)	-	-	(8,355)	(135,634)
Exchange realignment	-	-	-	-	-	23,451	-	-	23,451	9,212
Profit for the period	-	-	-	-	-	-	-	676,469	676,469	279,423
2006 final dividend, declared to shareholders of the Company	-	-	-	-	-	-	-	(36,804)	(36,804)	-
2006 final distribution, declared to minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	(18,680)
At 30th June, 2007	785,257	2,075,948	3,880	242,885	13,861	15,626	913	2,249,854	5,388,224	1,625,437

Note:

(a) Special capital reserve

Pursuant to a special resolution passed at an extraordinary general meeting of the Company on 2nd December, 1997 and the subsequent confirmation by the court on 22nd December, 1997, the then entire amount standing to the credit of the share premium account of the Company in the amount of HK\$849,149,000 was cancelled on 23rd December, 1997 (the "Cancellation"). The credit arising from the Cancellation was transferred to a special capital reserve account.

Pursuant to a special resolution passed at an extraordinary general meeting of the Company on 23rd December, 1998 and the subsequent confirmation by the court on 26th January, 1999, the then issued and fully paid-up share capital of the Company was reduced from approximately HK\$1,533,498,000 divided into 3,066,996,246 shares of HK\$0.50 each to approximately HK\$306,699,000 divided into 3,066,996,246 shares of HK\$0.10 each and an amount standing to the credit of the share capital account of the Company of approximately HK\$1,226,799,000 was cancelled and transferred to a special capital reserve account. The special reserve was distributed to the shareholders of the Company in July 2007.

Notes to the Interim Financial Statements (Continued)

17. Reserves (Continued)

Note: (Continued)

(b) *Legal reserve*

The legal reserve represented the part of reserve generated by a banking subsidiary of the Company which may only be distributable in accordance with certain limited circumstances prescribed by the statute of the country in which the subsidiary operates. The banking subsidiary ceased to be a subsidiary of the Group in July 2007.

(c) *Regulatory reserve*

The regulatory reserve represented the part of reserve generated by a banking subsidiary of the Company arising from the difference between the impairment allowance made under HKAS 39 and for regulatory purpose. The banking subsidiary ceased to be a subsidiary of the Group in July 2007.

18. Contingent Liabilities

At the balance sheet date, the Group had the following contingent liabilities:

(a) *Guarantees in respect of banking facilities*

	30th June, 2008	31st December, 2007
	HK\$'000	HK\$'000
Guarantees provided in respect of banking facilities granted to:		
An associate	437	460
An investee company	920	920
	1,357	1,380

(b) *Cost overruns undertaking and deed of understanding relating to the Securitisation Exercise*

On 25th July, 2007, a jointly controlled entity of the Company entered into an agreement to sell all of the rights, title and interest in the receivables of a property development project in Republic of Singapore, in respect of units which have been sold, to Vesta Investment Corporation Limited ("Vesta") and Vesta issued floating rate notes in an aggregate principal amount of US\$346,000,000 to institutional investors upon the purchase of the receivables (the "Securitisation Exercise"). On the same date, the Company entered into a cost overruns undertaking and a deed of understanding in relation to the Securitisation Exercise. As at 30th June, 2008, the net maximum exposure to the Group is approximately HK\$19,434,000 (31st December, 2007 – HK\$86,177,000).

19. Capital Commitments

The Group had the following commitments at the balance sheet date:

	30th June, 2008	31st December, 2007
	HK\$'000	HK\$'000
Capital commitments in respect of property, plant and equipment:		
Contracted, but not provided for	282,790	248,960
Other capital commitments:		
Contracted, but not provided for	10,763	117,473
	293,553	366,433

20. Related Party Transactions

- (a) As at 30th June, 2008, the Group had amounts due from associates in a total of HK\$59,883,000 (31st December, 2007 – HK\$60,641,000), amounts due to associates in a total of HK\$1,975,000 (31st December, 2007 – HK\$1,975,000) and amount due to a jointly controlled entity of HK\$50,630,000 (31st December, 2007 – HK\$46,968,000).

The balances with the associates are unsecured, interest-free and have no fixed terms of repayment except for the balance of HK\$4,500,000 (31st December, 2007 – HK\$4,500,000) due from Maxipo International Limited which bears interest at Hong Kong dollar prime rate per annum quoted by The Hongkong and Shanghai Banking Corporation Limited.

The balance due to a jointly controlled entity is unsecured, bears interest at a fixed rate of 3.61 per cent. per annum and has no fixed terms of repayment.

The carrying amounts of the balances are approximate to their fair values.

- (b) During the period, the Group received rental income from Lippo of HK\$2,251,000 (2007 – HK\$2,251,000). The rental was determined by reference to open market rentals.
- (c) During the period, the Group received rental income of HK\$2,311,000 and HK\$981,000 from Lippo Securities Holdings Limited and HKC, being fellow subsidiaries of the Company, respectively. The above rentals were determined by reference to open market rentals.

21. Post Balance Sheet Events

- (a) In April 2008, the Group entered into an agreement with a third party for the disposal of an investment property for a consideration of HK\$250,000,000. The transaction was subsequently completed in August 2008.
- (b) In December 2007, the Group entered into an agreement with 廣東省拱北中旅集團有限公司 (Guangdong Gongbei CTS Group Co., Ltd.) (the "Transferor") pursuant to which the Transferor agreed to transfer to the Group all rights of the Transferor in relation to a development project known as "力寶中旅廣場 (Lippo CTS Plaza)" located at 中國廣東省珠海市拱北水灣路4號 (4 Shuiwan Road, Gongbei, Zhuhai, Guangdong Province, the People's Republic of China (the "PRC")) for an aggregate consideration of RMB110,000,000 (equivalent to approximately HK\$116,765,000). The transaction was subsequently completed in September 2008.
- (c) In August 2008, the Group entered into a subscription agreement with Asia Now Resources Corp. ("Asia Now") to subscribe for approximately 19.99% of the then issued and outstanding share capital of Asia Now for an aggregate consideration of approximately \$5,733,000 Canadian dollars (equivalent to approximately HK\$44,334,000).

Asia Now is a corporation whose shares are listed on the TSX Venture Exchange of Canada and is primarily engaged in the business of exploration of mineral deposits in the PRC.

22. Comparative Figures

Certain comparative amounts have been reclassified to conform with the current period's presentation. The reclassifications had no impact on the Group's earnings for the six months ended 30th June, 2007.

Management Discussion and Analysis

Hong Kong's economy became challenging in 2008. Against a background of continuing concerns about the global economy, the Group still recorded a profit attributable to shareholders of HK\$236 million (2007 – HK\$676 million, included profit attributable to shareholders of HK\$496 million contributed by Hongkong Chinese Limited (“HKC”) and its subsidiaries (collectively as “HKC Group”), which ceased to be subsidiaries of the Group since July 2007).

Results for the Period

Turnover for the six months ended 30th June, 2008 totalled HK\$181 million, which was 16 per cent. lower than the HK\$217 million (restated) recorded in the corresponding period of 2007. Property and retailing became the principal source of revenue of the Group, contributing 53 per cent. (2007 – 48 per cent.) and 30 per cent. (2007 – 6 per cent.) of the total turnover.

The Group reported a profit for the period from continuing operations of HK\$246 million (2007 – HK\$267 million, which excluded profit for HKC Group). Property investment and development sector was the main contributor.

Property investment and development

The leasing market for Grade A offices stayed active, with rental increases in core districts driven by strong demand. Turnover generated from this segment increased to HK\$95 million (2007 – HK\$84 million when the rental income of HK\$20 million contributed by HKC Group was excluded) as a result of the increase in rental income from the leasing of the existing high quality and well-located investment properties.

Lippo Centre in Hong Kong and Lippo Plaza in Shanghai, being the landmark of the Group in Hong Kong and in Mainland China, continued to achieve high occupancy and increased renewal rental rates. The rental income of these properties registered an increase of 17 per cent. and 14 per cent. respectively. Property letting business continued to provide stable and recurrent revenue to the Group. With a positive outlook in the Hong Kong property market, the Group recorded a total revaluation gain on investment properties of HK\$314 million (2007 – HK\$79 million) during the period.

The Group has also participated in other well-located property development projects in Mainland China and Singapore. It is expected that all these projects will provide strong and positive cashflow to the Group in the coming years.

Retail business

Although the challenges of macro economic control in Mainland China, weakness in the economies of United States, and a significant rise in price of raw materials affected the economic growth of China and also domestic sales in Mainland China, China still registered a GDP growth of over 10 per cent.

In late 2007, the Group opened two department stores carried trade name "Robbinz", with total gross floor area of approximately 126,000 square metres, in Tianjin and Chengdu. Robbinz positions itself at the mid-to-upper-end of the retail market. With full operation of the two stores during the period, turnover generated from this segment increased significantly to HK\$54 million (2007 – HK\$14 million). Turnover comprised of net proceeds received from concessionaire sales and gross rental income. The Group will continue to explore opportunities which can consolidate its position in the market.

Other businesses

Following the distribution of the interest in HKC in July 2007, treasury and securities investments sector was no longer the core business of the Group. Profit attributable to treasury and securities investments for the period amounted to HK\$3 million (2007 – HK\$56 million). During the period, the Group registered a share of profit of HK\$7 million from a listed associate in Singapore, Auric Pacific Group Limited ("APG"). The businesses of APG mainly included food manufacturing, wholesale and distribution, retail and food court operation as well as property and securities investment.

Financial Position

As at 30th June, 2008, the Group's total assets amounted to HK\$6.9 billion (31st December, 2007 – HK\$6.2 billion). Property-related assets increased to HK\$4.5 billion (31st December, 2007 – HK\$4.1 billion), representing 65 per cent. (31st December, 2007 – 66 per cent.) of the total assets. On the other hand, investment portfolio of the Group stood at HK\$0.5 billion (31st December, 2007 – HK\$0.5 billion), representing 8 per cent. (31st December, 2007 – 8 per cent.) of the Group's total assets.

The cash and cash equivalents of the Group remained stable at HK\$0.3 billion (31st December, 2007 – HK\$0.3 billion). The Group's financial position remained strong. Current ratio of the Group (measured as current assets to current liabilities) stood at 1.03 to 1 (31st December, 2007 – 1.31 to 1).

As at 30th June, 2008, the bank loans of the Group increased to HK\$1,411 million (31st December, 2007 – HK\$1,147 million). All the bank loans were secured by certain properties of the Group. 54 per cent. and 31 per cent. (31st December, 2007 – 54 per cent. and 27 per cent.) of the loans were denominated in Hong Kong dollars and Renminbi respectively. All bank loans carried interest at floating rates and 20 per cent. (31st December, 2007 – 4 per cent.) of the bank loans were repayable within one year. At the end of the period, gearing ratio (measured as bank loans, net of minority interests, to shareholders' funds) was 35.5 per cent. (31st December, 2007 – 31.2 per cent.).

The Group monitors the relative foreign exchange position of its assets and liabilities to minimise foreign currency risk. When appropriate, hedging instruments including forward contracts, swap and currency loans would be used to manage the foreign exchange exposure.

Apart from the abovementioned, there were no charges on the Group's assets at the end of the period (31st December, 2007 – Nil). On 25th July, 2007, a jointly controlled entity of the Group entered into an agreement to sell all of the rights, title and interest in the receivables in respect of its residential project to Vesta Investment Corporation Limited ("Vesta") and Vesta issued floating rate notes in an aggregate principal amount of US\$346 million to institutional investors upon the purchase of the receivables (the "Securitisation Exercise"). On the same date, the Company entered into a cost overruns undertaking and a deed of understanding in relation to the Securitisation Exercise. As at 30th June, 2008, the net maximum exposure to the Group is approximately HK\$19 million (31st December, 2007 – HK\$86 million). Save as aforesaid, the Group had no material contingent liabilities outstanding (31st December, 2007 – Nil).

As at 30th June, 2008, the Group had total capital commitment of HK\$0.3 billion (31st December, 2007 – HK\$0.4 billion). The investments or capital assets will be financed by the Group's internal resources and/or external banking financing, as appropriate.

Staff and Remuneration

The Group had approximately 923 employees as at 30th June, 2008 (2007 – 601 employees). The increase was in line with the development of the retail business of the Group. Total staff costs (including directors' emoluments) during the period amounted to HK\$41 million (2007 – HK\$62 million, included staff costs from discontinued operation). The Group ensures that its employees are offered competitive remuneration packages. Certain employees of the Group were granted options under share option scheme of the Company.

Outlook

The global credit market conditions continued to deteriorate in the first six months of 2008. The business environment was affected by the adverse impact of the sub-prime crisis. Global inflation posed a particular challenge. Global economic growth is slowing. Nevertheless, the Mainland China is expected to maintain its strong growth trend. Amid the tentative and fragile operating environment, the Group will continue to improve internal operational efficiencies and seek new investment opportunities with long-term growth potential. Given its own strong financial position, the Group is well positioned to take advantage of any good business opportunities to enhance its shareholders value.

Business Review and Prospects

Business Review

Overview

During the period under review, the global economic environment deteriorated steadily. Following the slowdown in the US economy triggered by its sub-prime mortgage crisis and the growing inflationary pressures arising from the surge in food, energy and commodity prices, world major economies are experiencing a general slowdown in economic activity which has begun to affect the regional Asian economy. The various natural disasters in China in the first half of the year and the weak stock markets in Hong Kong and China further affected the economic environment and dampened market confidence.

Results

Despite this increasingly challenging and volatile market environment, the Group remained profitable for the first half of the year though overall performance was not as remarkable as that achieved in 2007. The Group recorded a profit attributable to shareholders of HK\$236 million for the six months ended 30th June, 2008, compared with a profit of HK\$676 million for the last corresponding period. It should be noted that higher interim profit in 2007 was mainly attributable to the profit of a former associate which benefited from the revaluation gain of various investment properties held.

Property investment and development

The Group's investment properties continued to enjoy high occupancy during the period. Rental provided the Group with stable income. Lippo Plaza at Huaihai Zhong Road, Shanghai maintained high occupancy at satisfactory rental rates.

In August 2008, the Group completed the disposal of the entire 23rd Floor of Tower One, Lippo Centre, Hong Kong for a consideration of HK\$250 million. It contributed a satisfactory profit to the Group.

Retail business

The Group's department store chain "Robbinz" was established in China in 2007. Robbinz now operates a department store in Tianjin and Chengdu respectively with a total gross floor area of approximately 126,000 square metres.

The Tianjin and Chengdu stores were in full operation during the first half of the year. The Tianjin store, located at a prime location in the city centre, provides a quality choice for sophisticated consumers. Sales and promotional campaigns have been launched from time to time to attract the shopper traffic and promote the brand "Robbinz".





The unfortunate earthquake at Sichuan Province in May 2008 has affected Robbinz's operation in Chengdu. The store was closed for two days as a result. Due to the earthquake, the overall consumer sentiment was adversely affected and the sales of the store dropped in May and June. Since July, sales have picked up to the level before the earthquake.

Both the Tianjin store and the Chengdu store are in their fledgling stages. The management of Robbinz is committed to constantly reviewing and updating its customers' changing needs and continuing to improve the merchandise mix and brand selection.

Robbinz is optimistic about the long term prospects of the retail business in China. However, the economy in China and the operating environment of the retail sector may be subject to a certain degree of uncertainty in the near future. Robbinz will closely monitor the performance of the existing operations and maximize the operational efficiency of both stores.

Auric Pacific Group Limited ("APG", together with its subsidiaries, the "APG Group"), in which the Group is interested in approximately 49.3 per cent. of its issued share capital and the shares of which are listed on the Main Board of SGX-ST, recorded a profit attributable to shareholders of



approximately S\$2.4 million for the first half of the year, compared to a profit of S\$45.1 million for the last corresponding period. Soaring energy and commodity prices have impinged on the profitability of the APG Group, especially in the second quarter of the year. The APG Group will place greater focus on cost-cutting and will continue to seek to achieve synergy among its existing businesses. It is expected that the impact of these efforts can only be realized in the medium and long term.

In order to focus its resources on its existing and newly acquired core businesses, the APG Group disposed of its entire interest in One Phillip Street in Singapore for a cash consideration of approximately S\$99 million. The disposal was completed in April 2008 and gave rise to a net gain of approximately S\$14 million to the APG Group in the first half of the year. Fair valuation gain of approximately S\$46 million has been taken up as profits in the past financial periods.

The operating environment of Robinson and Company, Limited ("Robinson"), in which the APG Group was interested approximately 29.99 per cent., changed significantly since the APG Group's acquisition in 2006. The general economic environment has affected consumer sentiment and spending in the markets where Robinson operates. Rising rental and staff costs also affect the profitability of Robinson. As the



prospects for Robinson would be subject to greater uncertainty, the APG Group accepted the cash offer for Robinson (the "Robinson Offer") at a price of S\$7.20 per share in April 2008 which was a timely opportunity for the APG Group to divest its investment in Robinson at an attractive price. The aggregate consideration received by the APG Group under the Robinson Offer amounted to approximately S\$185.6 million.

In order to enhance its presence in food industries, the APG Group has recently acquired additional interest in Food Junction Holdings Limited ("Food Junction"), whose shares are listed on the Catalist (formerly known as SGX Sesdaq), by way of a partial offer for shares in Food Junction at a price of S\$0.55 each (the "Partial Offer"). Food Junction is a regional food court operation and management specialist and its food courts spread over Singapore, Malaysia, Indonesia and China. Upon the completion of the Partial Offer, Food Junction has become a subsidiary of APG and the APG Group's interest in Food Junction has been increased from 29.9 per cent. to 54.4 per cent.

Prospects

Looking ahead, the international operating environment will become very challenging. The recent upheaval in the US financial system has shocked the global stock markets. The global economy will be overshadowed by the US financial crisis and growing inflationary pressures arising from the surge in food, energy and commodity prices. This will dim the economic and business prospects for Hong Kong and the surrounding Asian countries. However, statistics suggest that China is still broadly on track in maintaining solid economic growth.

Management remains optimistic about the overall outlook of the Group. The Group is in a strong and stable financial position which makes it well placed to meet the challenges ahead. The Group will continue to adopt a cautious and prudent approach to identify and pursue suitable investment opportunities which will contribute to the growth momentum and maximise shareholders return.

Additional Information

Interim Dividend

The Directors have resolved to declare the payment of an interim dividend of HK0.2 cent per share (2007 – excluding the special interim distribution declared on 17th July, 2007, HK0.2 cent per share and a special interim dividend of HK0.8 cent per share) amounting to approximately HK\$18,402,000 for the six months ended 30th June, 2008 (2007 – excluding the special interim distribution declared on 17th July, 2007, HK\$92,011,000), which will be paid on or about Wednesday, 22nd October, 2008 to shareholders whose names appear on the Register of Members on Friday, 10th October, 2008.

Closure of Register of Members

The Register of Members of the Company will be closed from Wednesday, 8th October, 2008 to Friday, 10th October, 2008 (both dates inclusive) during which period no transfer of share will be registered. In order to qualify for the interim dividend for the six months ended 30th June, 2008, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Registrars, Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 6th October, 2008.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations

As at 30th June, 2008, the interests or short positions of the Directors and chief executive of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers under the Rules Governing the Listing of Securities on the Stock Exchange (the "Model Code"), were as follows:

Additional Information (Continued)

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations (Continued)

Interests in shares and underlying shares of the Company and associated corporations

(a) The Company

Name of Director	Number of ordinary shares of HK\$0.10 each in the Company		Total interests	Approximate percentage of total interests in the issued share capital
	Other interests	Number of underlying ordinary shares of HK\$0.10 each in the Company Personal interests (held as beneficial owner) Options [#]		
Mochtar Riady	6,544,696,389 <i>Notes (i) and (ii)</i>	–	6,544,696,389	71.13
James Riady	6,544,696,389 <i>Notes (i) and (ii)</i>	–	6,544,696,389	71.13
Stephen Riady	6,544,696,389 <i>Notes (i) and (ii)</i>	–	6,544,696,389	71.13
John Luen Wai Lee	–	22,000,000	22,000,000	0.24
Leon Nim Leung Chan	–	3,000,000	3,000,000	0.03
Edwin Neo	–	2,300,000	2,300,000	0.02
King Fai Tsui	–	2,300,000	2,300,000	0.02
Victor Ha Kuk Yung	–	2,300,000	2,300,000	0.02

The options were granted on 17th December, 2007 without consideration under the share option scheme adopted by the Company (the "Share Option Scheme"). The above options could not be exercised from the date of grant to 16th June, 2008. Such options are exercisable from 17th June, 2008 to 16th December, 2012 in accordance with the rules of the Share Option Scheme to subscribe for ordinary shares of HK\$0.10 each in the Company at an exercise price of HK\$0.267 per share (subject to adjustment). None of the options were exercised by any of the above Directors during the period. Further details of the interests of Directors in the options are disclosed in Note 16 to the interim financial statements.

Additional Information (Continued)

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations (Continued)

Interests in shares and underlying shares of the Company and associated corporations

(Continued)

(b) Lippo Limited ("Lippo")

Name of Director	Number of ordinary shares of HK\$0.10 each in Lippo		Number of underlying ordinary shares of HK\$0.10 each in Lippo			Total interests	Approximate percentage of total interests in the issued share capital
	Personal interests (held as beneficial owner)	Other interests	Personal interests (held as beneficial owner)				
			Options*	Warrants®	Warrants®		
Mochtar Riady	-	319,322,219 <i>Note (i)</i>	-	-	35,312,240 <i>Note (i)</i>	354,634,459	65.41
James Riady	-	319,322,219 <i>Note (i)</i>	-	-	35,312,240 <i>Note (i)</i>	354,634,459	65.41
Stephen Riady	-	319,322,219 <i>Note (i)</i>	-	-	35,312,240 <i>Note (i)</i>	354,634,459	65.41
John Luen Wai Lee	1,031,250	-	1,125,000	103,125	-	2,259,375	0.42
Leon Nim Leung Chan	-	-	193,750	-	-	193,750	0.04
Edwin Neo	-	-	162,500	-	-	162,500	0.03
King Fai Tsui	-	-	162,500	-	-	162,500	0.03
Victor Ha Kuk Yung	-	-	162,500	-	-	162,500	0.03

* The options were granted on 17th December, 2007 without consideration under the share option scheme adopted by Lippo (the "Lippo Share Option Scheme"). The above options could not be exercised from the date of grant to 16th June, 2008. Such options are exercisable from 17th June, 2008 to 16th December, 2012 in accordance with the rules of the Lippo Share Option Scheme to subscribe for ordinary shares of HK\$0.10 each in Lippo at an initial exercise price of HK\$6.98 per share (subject to adjustment). Pursuant to the rights issue of new shares of Lippo (the "Lippo Rights Issue") in June 2008 on the basis of one rights share for every four shares held, the number of ordinary shares to be subscribed for subject to the options was increased and the exercise price was adjusted from HK\$6.98 per share to HK\$5.58 per share (subject to adjustment) with effect from 27th June, 2008. None of the options were exercised by any of the above Directors during the period. Further details of the Directors' interests in underlying shares in respect of the options are disclosed in Note (v) below.

@ The holders of the warrants of Lippo are entitled to subscribe for ordinary shares of HK\$0.10 each in Lippo at a subscription price of HK\$4.70 per share (subject to adjustment) during the period from 4th July, 2008 to 4th July, 2011 (both dates inclusive).

Additional Information (Continued)

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations (Continued)

Interests in shares and underlying shares of the Company and associated corporations

(Continued)

(c) Hongkong Chinese Limited ("HKC")

Name of Director	Number of ordinary shares of HK\$1.00 each in HKC			Number of underlying ordinary shares of HK\$1.00 each in HKC				Approximate percentage of total interests in the issued share capital	
	Personal interests (held as beneficial owner)	Family interests (interest of spouse)	Other interests	Personal interests (held as beneficial owner)		Family interests (interest of spouse)			
				Options [^]	Warrants ⁺	Warrants ⁺	Warrants ⁺		
Mochtar Riady	-	-	941,380,978	-	-	-	106,765,641	1,048,146,619	57.65
			Notes (i) and (iii)				Notes (i) and (iii)		
James Riady	-	-	941,380,978	-	-	-	106,765,641	1,048,146,619	57.65
			Notes (i) and (iii)				Notes (i) and (iii)		
Stephen Riady	-	-	941,380,978	-	-	-	106,765,641	1,048,146,619	57.65
			Notes (i) and (iii)				Notes (i) and (iii)		
John Luen Wai Lee	270	270	-	4,590,000	30	30	-	4,590,600	0.25
King Fai Tsui	-	67,500	-	607,500	-	7,500	-	682,500	0.04
Leon Nim Leung Chan	-	-	-	810,000	-	-	-	810,000	0.04
Victor Ha Kuk Yung	-	-	-	607,500	-	-	-	607,500	0.03

[^] The options were granted on 17th December, 2007 without consideration under the share option scheme adopted by HKC (the "HKC Share Option Scheme"). The above options could not be exercised from the date of grant to 16th June, 2008. Such options are exercisable from 17th June, 2008 to 16th December, 2012 in accordance with the rules of the HKC Share Option Scheme to subscribe for ordinary shares of HK\$1.00 each in HKC at an initial exercise price of HK\$1.68 per share (subject to adjustment). Pursuant to the rights issue of new shares of HKC (the "HKC Rights Issue") in June 2008 on the basis of seven rights shares for every twenty shares held, the number of ordinary shares to be subscribed for subject to the options was increased and the exercise price was adjusted from HK\$1.68 per share to HK\$1.24 per share (subject to adjustment) with effect from 27th June, 2008. None of the options were exercised by any of the above Directors during the period. Further details of the Directors' interests in underlying shares in respect of the options are disclosed in Note (vi) below.

⁺ The holders of the warrants of HKC are entitled to subscribe for ordinary shares of HK\$1.00 each in HKC at a subscription price of HK\$1.25 per share (subject to adjustment) during the period from 4th July, 2008 to 4th July, 2011 (both dates inclusive).

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations (Continued)

Interests in shares and underlying shares of the Company and associated corporations

(Continued)

Note:

- (i) As at 30th June, 2008, Lippo Cayman Limited ("Lippo Cayman"), an associated corporation (within the meaning of Part XV of the SFO) of the Company, and through its wholly-owned subsidiaries, Lippo Capital Limited, J & S Company Limited and Huge Returns Limited, and its subsidiary, Lippo Securities Limited ("Lippo Securities"), was directly and indirectly interested in an aggregate of 319,322,219 ordinary shares and HK\$165,967,528 warrants giving rise to an interest in 35,312,240 underlying ordinary shares of Lippo, totalling 354,634,459 ordinary shares and underlying ordinary shares of HK\$0.10 each in, representing approximately 65.41 per cent. of the issued share capital of, Lippo. Lippo Securities is a wholly-owned subsidiary of HKC which in turn is a 51.77 per cent. subsidiary of Lippo. Lanius Limited ("Lanius"), an associated corporation (within the meaning of Part XV of the SFO) of the Company, is the registered shareholder of 10,000,000 ordinary shares of US\$1.00 each in, representing 100 per cent. of the issued share capital of, Lippo Cayman. Lanius is the trustee of a discretionary trust, of which Dr. Mochtar Riady is the founder and in accordance with whose instructions Lanius is accustomed to act. Dr. Mochtar Riady does not have any interests in the share capital of Lanius. The beneficiaries of the trust include Dr. Mochtar Riady, Mr. James Riady, Mr. Stephen Riady and their respective family members including, inter alia, a minor child of Mr. Stephen Riady. Dr. Mochtar Riady, as the founder and beneficiary of the trust, and Messrs. James Riady and Stephen Riady (together with his minor child), as beneficiaries of the trust, are taken to be interested in Lippo Cayman under the SFO.
- (ii) As at 30th June, 2008, Lippo was indirectly interested in 6,544,696,389 ordinary shares of HK\$0.10 each in, representing approximately 71.13 per cent. of the issued share capital of, the Company.
- (iii) As at 30th June, 2008, Lippo, through its wholly-owned subsidiary and Lippo Securities, was indirectly interested in an aggregate of 941,380,978 ordinary shares and HK\$133,457,051.25 warrants giving rise to an interest in 106,765,641 underlying ordinary shares of HKC, totalling 1,048,146,619 ordinary shares and underlying ordinary shares of HK\$1.00 each in, representing approximately 57.65 per cent. of the issued share capital of, HKC.
- (iv) The percentages of the issued share capital stated in this section were arrived based on the issued share capital of each of the Company, Lippo and HKC (as the case may be) as at 30th June, 2008.

Additional Information (Continued)

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations (Continued)

Interests in shares and underlying shares of the Company and associated corporations

(Continued)

Note: (Continued)

- (v) The movement of underlying shares in respect of the options granted to the Directors under the Lippo Share Option Scheme during the period were as follows:

Name of Director	Adjusted exercise price per share*	Number of underlying ordinary shares of HK\$0.10 each in Lippo in respect of which options have been granted		
		Balance as at 1st January, 2008	Adjustment during the period*	Balance as at 30th June, 2008
	HK\$			
John Luen Wai Lee	5.58	900,000	225,000	1,125,000
Leon Nim Leung Chan	5.58	155,000	38,750	193,750
Edwin Neo	5.58	130,000	32,500	162,500
King Fai Tsui	5.58	130,000	32,500	162,500
Victor Ha Kuk Yung	5.58	130,000	32,500	162,500

* adjustments due to the Lippo Rights Issue

- (vi) The movement of underlying shares in respect of the options granted to the Directors under the HKC Share Option Scheme during the period were as follows:

Name of Director	Adjusted exercise price per share^	Number of underlying ordinary shares of HK\$1.00 each in HKC in respect of which options have been granted		
		Balance as at 1st January, 2008	Adjustment during the period^	Balance as at 30th June, 2008
	HK\$			
John Luen Wai Lee	1.24	3,400,000	1,190,000	4,590,000
Leon Nim Leung Chan	1.24	600,000	210,000	810,000
King Fai Tsui	1.24	450,000	157,500	607,500
Victor Ha Kuk Yung	1.24	450,000	157,500	607,500

^ adjustments due to the HKC Rights Issue

The above interests in the underlying shares of the Company and its associated corporations in respect of options were held pursuant to unlisted physically settled equity derivatives.

The above interests in the underlying shares of the Company and its associated corporations in respect of warrants were held pursuant to listed physically settled equity derivatives.

Additional Information (Continued)

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations (Continued)

Interests in shares and underlying shares of the Company and associated corporations (Continued)

As at 30th June, 2008, Dr. Mochtar Riady, as the founder and beneficiary of the aforesaid discretionary trust, and Messrs. James Riady and Stephen Riady (together with his minor child), as beneficiaries of the aforesaid discretionary trust, through their interests in Lippo Cayman as mentioned in Note (i) above, were also taken to be interested in the share capital of the following associated corporations (within the meaning of Part XV of the SFO) of the Company:

Name of associated corporation	Class of shares	Number of shares interested	Approximate percentage of interest in the issued share capital
Abital Trading Pte. Limited	Ordinary shares	2	100
AcrossAsia Limited	Ordinary shares	3,669,576,788 (Note a)	72.45
Actfield Limited	Ordinary shares	1	100
Boudry Limited	Ordinary shares	1,000	100
CRC China Limited	Ordinary shares	1	100
Congrad Holdings Limited	Ordinary shares	1	100
Cyport Limited	Ordinary shares	1	100
East Winds Food Pte Ltd.	Ordinary shares	400,000 (Note b)	88.88
First Bond Holdings Limited	Ordinary shares	1	100
First Tower Corporation	Ordinary shares	1 (Note c)	100
Glory Power Worldwide Limited	Ordinary shares	1	100
Grand Peak Investment Limited	Ordinary shares	2	100
Grandform Limited	Ordinary shares	1	100
Grandhill Asia Limited	Ordinary shares	1	100
Honix Holdings Limited	Ordinary shares	1	100
Huge Returns Limited	Ordinary shares	1	100
J & S Company Limited	Ordinary shares	1	100
Lippo Assets (International) Limited	Ordinary shares	1,000,000	100
	Non-voting deferred shares	15,000,000	100

Additional Information (Continued)

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations (Continued)

Interests in shares and underlying shares of the Company and associated corporations (Continued)

Name of associated corporation	Class of shares	Number of shares interested	Approximate percentage of interest in the issued share capital
Lippo Capital Limited	Ordinary shares	705,690,000	100
Lippo Energy Company N.V.	Ordinary shares	6,000	100
Lippo Energy Holding Limited	Ordinary shares	1	100
Lippo Finance Limited	Ordinary shares	6,176,470	82.35
Lippo Holding America Inc.	Ordinary shares	1	100
Lippo Holding Company Limited	Ordinary shares	2,500,000	100
	Non-voting deferred shares	7,500,000	100
Lippo Holdings Inc.	Ordinary shares	1	100
Lippo Investments Limited	Ordinary shares	2	100
Lippo Realty Limited	Ordinary shares	2	100
Lippo Strategic Holdings Inc.	Ordinary shares	1	100
Lippo World Holdings Limited	Ordinary shares	1	100
Multi-World Builders & Development Corporation	Ordinary shares	4,080	51
Nelton Limited	Ordinary shares	10,000	100
Pointbest Limited	Ordinary shares	1	100
SCR Ltd.	Ordinary shares	1	100
Sinotrend Global Holdings Limited	Ordinary shares	1	100
Skyscraper Realty Limited	Ordinary shares	10	100
		(Note d)	
The HCB General Investment (Singapore) Pte Ltd. ("HCB General")	Ordinary shares	70,000	70
Times Grand Limited	Ordinary shares	1	100
Valencia Development Limited	Ordinary shares	800,000	100
	Non-voting deferred shares	200,000	100
Welux Limited	Ordinary shares	1	100

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations (Continued)

Interests in shares and underlying shares of the Company and associated corporations

(Continued)

Note:

- a. The interests included 219,600,000 ordinary shares held by Mideast Pacific Strategic Holdings Limited in which Lippo Cayman controlled a 30 per cent. interest.
- b. The interests were held by HCB General, a 70 per cent. subsidiary of Lippo Cayman.
- c. The interest was held by Lippo, a 58.9 per cent. subsidiary of Lippo Cayman.
- d. The interests were held through Lippo, a 58.9 per cent. subsidiary of Lippo Cayman.

As at 30th June, 2008, each of Messrs. James Riady and Stephen Riady, as beneficial owners, through their respective nominees, was interested in 5 ordinary shares of HK\$1.00 each in, representing 25 per cent. of the issued share capital of, Lanius which is the registered shareholder of 10,000,000 ordinary shares of US\$1.00 each in, representing 100 per cent. of the issued share capital of, Lippo Cayman. Lanius is the trustee of a discretionary trust, of which Dr. Mochtar Riady is the founder and beneficiary. The beneficiaries of the trust also include, inter alia, Messrs. James Riady and Stephen Riady (together with his minor child). Dr. Mochtar Riady does not have any interests in the share capital of Lanius but the shareholders of Lanius are accustomed to act in accordance with his instructions.

As at 30th June, 2008, Mr. John Luen Wai Lee, as a beneficial owner, was also interested in 230,000 ordinary shares of HK\$0.10 each in, representing approximately 0.0045 per cent. of the issued share capital of, AcrossAsia Limited, an associated corporation (within the meaning of Part XV of the SFO) of the Company.

As at 30th June, 2008, save as disclosed herein, none of the Directors or chief executive of the Company had any interests in the underlying shares in respect of cash settled or other equity derivatives of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Additional Information (Continued)

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations (Continued)

All the interests stated above represent long positions. Save as disclosed herein, as at 30th June, 2008, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be recorded in the register kept by the Company under Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed herein, as at 30th June, 2008, none of the Directors or chief executive of the Company nor their spouses or minor children (natural or adopted) were granted or had exercised any rights to subscribe for any equity or debt securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Interests and Short Positions of Shareholders Discloseable under the Securities and Futures Ordinance

As at 30th June, 2008, so far as is known to the Directors of the Company, the following persons (other than the Directors or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the Securities and Futures Ordinance (the "SFO") as follows:

Interests of substantial shareholders in shares of the Company

Name	Number of ordinary shares of HK\$0.10 each	Approximate percentage of the issued share capital
Lippo Limited ("Lippo")	6,544,696,389	71.13
Lippo Cayman Limited ("Lippo Cayman")	6,544,696,389	71.13
Lanius Limited ("Lanius")	6,544,696,389	71.13
Madam Lidya Suryawaty	6,544,696,389	71.13

Note:

1. 6,544,696,389 ordinary shares of the Company were held by Skyscraper Realty Limited directly as beneficial owner which in turn is a wholly-owned subsidiary of First Tower Corporation ("First Tower"). First Tower is a wholly-owned subsidiary of Lippo. Lippo Cayman, and through its wholly-owned subsidiaries, Lippo Capital Limited (which owned ordinary shares representing approximately 50.47 per cent. of the issued share capital of Lippo), J & S Company Limited and Huge Returns Limited, was directly and indirectly interested in ordinary shares representing approximately 58.9 per cent. of the issued share capital of Lippo.

Interests and Short Positions of Shareholders Discloseable under the Securities and Futures Ordinance (Continued)

Interests of substantial shareholders in shares of the Company (Continued)

Note: (Continued)

2. Lanius is the registered shareholder of the entire issued share capital of Lippo Cayman and is the trustee of a discretionary trust, of which Dr. Mochtar Riady is the founder and in accordance with whose instructions Lanius is accustomed to act. The beneficiaries of the trust include Dr. Mochtar Riady and his family members. Madam Lidya Suryawaty is the spouse of Dr. Mochtar Riady. Dr. Mochtar Riady is not the registered holder of any shares in the issued share capital of Lanius.
3. Lippo's interests in the shares of the Company were recorded as the interests of Lippo Cayman, Lanius and Madam Lidya Suryawaty. The above ordinary shares in the Company related to the same block of shares that Dr. Mochtar Riady, Messrs. James Riady and Stephen Riady were interested, details of which are disclosed in the above section headed "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures of the Company and associated corporations".

All the interests stated above represent long positions. Save as disclosed herein, as at 30th June, 2008, none of the substantial shareholders or other persons (other than the Directors or chief executive of the Company) had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

Share Option Scheme

Details of the share option scheme of the Company are disclosed in Note 16 to the interim financial statements.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30th June, 2008, there was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries.

Audit Committee

The Company has established an audit committee (the "Committee"). The existing members of the Committee comprise three independent non-executive Directors, namely Mr. Victor Ha Kuk Yung (Chairman), Mr. Edwin Neo and Mr. King Fai Tsui and one non-executive Director, Mr. Leon Nim Leung Chan. The Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and financial reporting matters including the review of the unaudited consolidated interim financial statements of the Company for the six months ended 30th June, 2008.

Code on Corporate Governance Practices

The Company is committed to ensuring high standards of corporate governance practices. The Board of Directors of the Company (the "Board") believes that good corporate governance practices are increasingly important for maintaining and promoting investor confidence. Corporate governance requirements keep changing, therefore the Board reviews its corporate governance practices from time to time to ensure they meet public and shareholders' expectation, comply with legal and professional standards and reflect the latest local and international developments. The Board will continue to commit itself to achieving a high quality of corporate governance.

To the best knowledge and belief of the Directors, the Directors consider that the Company has complied with the code provisions of the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the six months ended 30th June, 2008 except for the deviation from code provision E.1.2 which stipulates that the chairman of the board of a listed issuer should attend the annual general meeting of that issuer. As Mr. James Riady, the Chairman of the Board (the "Chairman") was in overseas for other business commitment, he was unable to attend the annual general meeting of the Company held on 5th June, 2008. To comply with the Code, the Chairman will use his best endeavours to attend future annual general meetings of the Company.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as the code for securities transactions by Directors. Having made specific enquiry of all Directors, the Directors have complied with the required standard set out in the Model Code during the period under review.

By Order of the Board
Lippo China Resources Limited
John Luen Wai Lee
Director

Hong Kong, 18th September, 2008

Corporate Information

Board of Directors

Non-executive Directors

Dr. Mochtar Riady (*Honorary Chairman*)

Mr. Ning Gaoning

Mr. Leon Nim Leung Chan

Executive Directors

Mr. James Riady (*Chairman*)

Mr. Stephen Riady

(*Deputy Chairman, Managing Director
and Chief Executive Officer*)

Mr. John Luen Wai Lee, J.P.

Independent non-executive Directors

Mr. Edwin Neo

Mr. King Fai Tsui

Mr. Victor Ha Kuk Yung

Committees

Audit Committee

Mr. Victor Ha Kuk Yung (*Chairman*)

Mr. Leon Nim Leung Chan

Mr. Edwin Neo

Mr. King Fai Tsui

Remuneration Committee

Mr. Leon Nim Leung Chan (*Chairman*)

Mr. Victor Ha Kuk Yung

Mr. Edwin Neo

Mr. King Fai Tsui

Mr. Stephen Riady

Nomination Committee

Mr. Leon Nim Leung Chan (*Chairman*)

Mr. Victor Ha Kuk Yung

Mr. Edwin Neo

Mr. King Fai Tsui

Mr. Stephen Riady

Secretary

Ms. Millie Yuen Fun Luk

Qualified Accountant

Mr. Tai Chiu Ng

Auditors

Ernst & Young

Principal Bankers

Fubon Bank (Hong Kong) Limited

CITIC Ka Wah Bank Limited

Agricultural Bank of China, Shanghai Branch

United Overseas Bank Limited

Solicitors

Richards Butler

Registrars

Tricor Tengjis Limited

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28 Queen's Road East

Wanchai

Hong Kong

Registered Office

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Tower One

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